Testimony Provided to the Kansas Health Policy Authority

Hays, Kansas July 27, 2006

Jean Rumbaugh FirstGuard Health Plan Good Evening. My name is Jean Rumbaugh and I am the President and CEO of FirstGuard Health Plan. On behalf of the entire FirstGuard team, I want to express my appreciation for the opportunity to present information about FirstGuard and how we currently meet the needs of individuals who have HealthWave coverage in Kansas.

FirstGuard is a managed care plan that began Kansas operations in 1999 when we took over management of Horizon Health Plan. With the assistance of many stakeholders, we successfully "righted" the operations and financial stability of that health plan. We continued to partner with the State of Kansas, the Kansas Medical Society, health care providers, and the communities we serve to improve and find innovative solutions to meet the health care needs of Kansans.

FirstGuard currently serves approximately 38,000 HealthWave 21 children and 79,000 HealthWave 19 members throughout the State of Kansas.

Our provider network to serve the health care needs of these individuals is statewide and consists of 155 hospitals, 1,720 PCPs, 4,530 specialists and 600 pharmacies. We have a commitment to ongoing evaluation and **improvement of access** to care for all of our members. With the increased payment to physicians accomplished through the hospital assessment, FirstGuard is working with PCPs to improve access through opening their panels for membership. An additional 80,000 slots have been opened, and work continues to improve additional areas of need. We are currently planning our 7th annual Road Show for providers and a schedule is available if you are interested.

A value of FirstGuard and managed care is the commitment to **improving quality**. Some of our quality improvement projects include:

- A program to decrease low birthweight babies through early intervention and additional support for high risk Moms
- A collaborative program with the University of Kansas Medical Center to address childhood obesity
- A program to improve asthma medication management
- Collaborative implementation of a community health record in the Wichita area
- Enhanced tools to identify and correct billing errors, abuse or fraud

- Programs to improve immunization rates
- Annual HEDIS review and interventions
- 2005 implementation of a 24/7 nurse advice line

These focused improvements are in addition to the extensive member education and case management that occurs to assist individuals get appropriate health care.

FirstGuard also conducts annual **provider and member satisfaction** surveys. Although we are pleased with our current results, we continuously review and look for improvement opportunities.

The results of the 2005 member survey showed FirstGuard scored better than the national benchmark in satisfaction key indicators of, 1) getting needed care, 2) getting care quickly, 3) how well doctors communicate, 4) courteous and helpful office staff and 5) customer service. The overall rating of FirstGuard Health Plan was 86% satisfaction, versus a 76% national benchmark.

The results of the provider survey showed increased satisfaction with FirstGuard for two consecutive years. Opportunities for improvement include payment and health plan network composite. FirstGuard "survived" a system conversion in 2005, and we appreciated the providers working through issues that we resolved as quickly as possible. Our current average claims payment is 8.2 days from receipt of claim to date paid. We continue our commitment to fast and accurate claims payment.

Another value of managed care is to provide the State of Kansas cost predictability through capitated risk and cost savings compared to unmanaged FFS. FirstGuard is diligent in our fiduciary duty to the State to work with providers and members to direct care to appropriate settings and focus on earlier and less expensive interventions. We will continue to work with the State to share data and to assure rates that are actuarially sound and appropriate.

In conclusion, FirstGuard has historically worked with key stakeholders to find and implement creative solutions to meet the health care needs of Kansas. We look forward to partnering with the Kansas Health Policy Authority to continue this tradition of solution based partnership. Thank you for this opportunity to present.